



State of Connecticut

HOUSE OF REPRESENTATIVES STATE CAPITOL

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Good morning Senator Maynard, Representative Guerrero, Representative Scribner and Senator Boucher.

I am State Representative Sean Williams, and I am here to testify in support of Governor's Bill 34, AN ACT CONCERNING THE CERTIFICATION OF HOUSHOLD GOODS CARRIERS.

My interest in this issue was piqued last year when I read a story in the New London Day regarding the Department of Transportation's rejection of Coutu Brothers Movers' application to do business in Connecticut. In a nutshell, DOT rejected Coutu Brothers' application under their statutorily required "Certificate of Public Necessity and Convenience" process. As part of this process, DOT takes into account a variety of factors as to whether to grant such applications including the financial stability of the company, any prior criminal history, any possible safety issues which could arise from the granting of the application and the possible impact that said business may have on our state's highways. In their decision, DOT acknowledged that Coutu Brothers met or exceeded each of these requirements.

Two factors were taken into consideration, however, which caused DOT to reject the application. First, as part of this process DOT allowed competing moving companies the opportunity to testify as to what the impact of the addition of Coutu Brothers into the Connecticut marketplace would have on their business. Based on these competitors' testimony DOT wrote in their decision: "Clearly the addition of another moving company would have a further negative effect on these two operators." Secondly, as part of this process, applicants must prove that there is "public need and convenience for the proposed service." Because only one person testified on Coutu Brothers behalf in this regard, DOT ruled that they did not meet the threshold of public need and convenience.

I'd like to believe that the free market determines whether or not there is a need for a particular service, not state government. Unfortunately that was not the case here. Bob Romano, the owner of Coutu Brothers, spent \$6,000 doing what any other business owner would have done in an effort to open up shop in Connecticut and begin contributing to our economy. But, because he

couldn't prove to his state government that there was enough customers for he and his competitors and because his competitors said more competition would hurt them, his application was rejected. The law which caused this to happen has been on the books for many years, pre-dating Governor Malloy and perhaps every member of this committee. It strikes me that most people in state government were not even aware of such a law until the Coutu Brothers decision was issued. It's not really anyone's fault that this happened because the law is the law, but if Connecticut is truly open for business, we should let competitors compete and consumers enjoy the benefits of lower prices and better service. To that end, I support this bill.

I respectfully urge you to pass Governor's Bill 34. In the grand scheme of things this may be a relatively minor change in our statutes. However this begs the question "if this provision remained on the books for this long how many other statutory or regulatory impediments could we also repeal?"

Bob Romano took the expansion of his business to our neighbors in Massachusetts, but hopefully we can take one small step to ensure that this does not happen to the next Bob Romano who decided to make an investment in Connecticut's economy.

Sincerely

A handwritten signature in dark ink, appearing to be 'S. Williams', written over the printed name.

Representative Sean Williams
68th District